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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 10/648,599
Filing Date: August 25, 2003
Appellant(s): MEHTA ET AL.

Christopher Brokaw
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 9/19/06 appealing from the Office action mailed 12/2/05.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

No amendment after final has been filed.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

2002/0128904	CARRUTHERS et al	9-2002

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claims 1, 3-10 are rejected under 35 U.S.C. 101 because they do not set forth a useful result. MPEP 2106 describes the analysis for such computer-based inventions and specifically states that the claimed invention must provide a useful, concrete and tangible result. Because claim 1 does not necessarily require the instructions to be executed, the claim is not taken to positively set forth a useful result. Mere sending, receiving and/or storing of these instructions does not accomplish a useful result. In this case, *execution* of the claimed instructions would however set forth a useful, concrete and tangible result.

Claims 1, 3-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Carruthers et al (US2002/0128904).

Regarding claims 1, 3, 5-7, Carruthers et al teaches systems and methods for selecting an ad to include with a request for content having an ad slot [¶ 7, 26].

Carruthers et al provides a prioritized master list of ads which provides an order for the ads to be displayed [¶ 34]. Each ad has a delivery criteria that is compared to the slot attribute (for example, the type of user requesting the content – ¶ 38) in order to determine a qualifying subset of ads from the prioritized master list. The ad chosen from the qualifying subset of the master queue is taken to be chosen based upon the sequence of the prioritized queue. Carruthers et al prioritizes the queue of ads based upon priority, a weighting indicating the number of impressions needed and based upon feedback from the system regarding which ads have been shown [¶ 34, 35]. Further, Carruthers et al states that new, proposed campaigns are analyzed and added to the system if they can be accommodated based on the expected ad inventory [¶ 8]. Carruthers et al therefore recognizes that the slot inventory is limited and that all requesting advertisers cannot necessarily be satisfied. Carruthers et al put to use a well known concept of "first-come first served" in that the first advertisers to make ad campaign contracts with the system of Carruthers et al are more likely to be accepted and to get their ads shown by the system than latecomers. It would have been obvious to one of ordinary skill at the time of the invention to have given further improved treatment to early advertisers by employing such a well known "first come, first served" notion and included prioritization of the master list of scheduled ads based upon when the advertisers contracted with the system. In this manner, ad campaigns of late coming advertisers may be accepted into the system, but would be given lower priority (i.e. placed toward the end of the queue) than earlier-arriving advertisers and such latecomers could not steal ad opportunities from earlier-arriving advertisers. Late-

arriving advertisers would only be served if ad inventory (available slots) was plentiful enough to fully server the advertisers who came before them. This is consistent with Carruthers et al's disclosure that early adopters will be accommodated, yet late adopters will not. Further, it is pointed out that applicant's system merely lets those at the front of the line dictate how much is left for others behind them in line – much like the well known "first come, first served" approach.

Regarding claims 4, 10, Carruthers et al teaches that ads have delivery constraints such as maximum impressions or time between impressions. If this is the case, the ad is removed from the qualifying subset so that it is not showed again. This is taken to provide a step of including only ads that are not on track to be satisfied and removing all ads whose constraint is "on-track" or has been met.

Regarding claim 9, Carruthers et al teaches that there is another type of ads – default or filler ads. These ads are used when the requesting user is not eligible for any active ads. Also, opportunities for "instant" ads such as when a user performs a search or requests a particular URL are solved by providing such filler ads. This is taken to provide a second priority class of ads to be used when no higher priority ads are available.

Alternatively regarding claims 4, 10, Carruthers et al teaches that each ad has delivery obligations and that determinations are made regarding whether the ad is "on track" or not. Carruthers et al demotes ads if they are on-track or have already met their delivery goals by moving them towards the bottom of the queue [¶ 35]. Carruthers et al states that ads ahead of schedule (i.e. on-track) are "effectively shut-off" by being

placed at the end of the queue. Although this is taken to be effectively removed from the list, it would have been obvious to one of ordinary skill at the time of the invention to have removed such ads from the list entirely in order to ensure only ads that are behind schedule are selected.

Regarding claim 8, Carruthers et al does not appear to specify or restrict the type of content requested to a particular format in order to include the specified advertising. Carruthers et al teaches that the ads can be banner ads or pop-up ads [¶ 15]. Carruthers et al further states that users can access files of various types via the Internet (text, images, video, etc) [¶ 20]. It would have been obvious to one of ordinary skill at the time of the invention to have provided such advertising associated with any type of electronic content such as a video stream, or even a web page that includes an embedded video stream as is well known, so that advertisers can reach a wide audience and content providers can earn advertising revenue for a variety of pages.

(10) Response to Argument

Applicant argues that the claims achieve a minimum human purpose and further notes the examiner's point of view that *execution* of the claimed instructions would be useful and argues that because storing/sending and/or receiving instructions is a prerequisite to such execution, useful claims are provided even when limited to storing/sending and/or receiving instructions. Applicant continues with "logic dictates that it must be useful to perform an operation that is a pre-requisite to achieving a useful result. Mere preparatory steps toward a useful disclosed result are not necessarily by

themselves evidence of a useful result. Using applicant's preparatory-based argument, simply reaching for a power switch in an attempt to provide power to a computer should be "useful" (if that computer was ultimately capable of achieving a useful result). For the same reason that the instant claims are not useful (they lack execution of the computer instructions), a step of reaching for a power switch (a prerequisite to an arguably useful result) is not useful.

Applicant argues that the present method claims should met 101 for the same reasons as "Beauregard Claims". Examiner disagrees because these are different types of claims, namely method claims.

Applicant argues Carruthers et al does not base the queue order on when the advertiser incurred the delivery obligation (i.e. when the advertisement contract was agreed upon). Examiner points out that Carruthers et al does favorably treat newcomers by allowing them into the system and at the same time, not letting latecomers into the system where the latecomer's ad requirements cannot be satisfied without stealing ad opportunities from earlier advertisers, due to the limited expected ad slot inventory. This is an example of Carruthers et al putting to use the well known concept of "first-come, first-served". One of ordinary skill would recognize this preferential treatment to newcomers and recognize this implied motivation and would be motivated to extend this preferential treatment not only to the process of accepting advertisers, but at least in part to the process of ad selection among those advertisers already accepted into the system.

"It must be presumed that the artisan knows something about the art apart from what the references disclose. In re Jacobv, 309 F.2d 513, 135 USPQ 317 (CCPA 1962). The problem cannot be approached on the basis that artisans would only know what they read in references; such artisans must be presumed to know something about the art apart from what the references disclose. In re Jacoby. Also, the conclusion of obviousness may be made from common knowledge and common sense of a person of ordinary skill in the art without any specific hint of suggestion a particular reference. In re Bozek, 416 F.2d 1385, USPQ 545 (CCPA 1969). And, every reference relies to some extent on knowledge or persons skilled in the art to complement that which is disclosed therein. In re Bode, 550 F.2d 656, USPQ 12 (CCPA 1977)."

Carruthers et al uses a weighting system in order to determine the sequence of ads to select from the targeted subset. One of ordinary skill would find it obvious to provide an element of first-come, first-served treatment during the process of determining which competing, qualified ads should be selected for viewing. One of ordinary skill would be motivated to provide this element of first-come, first-served for many well known reasons: it provides a benefit to early-acting advertisers and encourages them to act quickly and do business (i.e. incur an contract obligation) with the system provider especially when the system is first launched, it makes good business sense to treat your clients fairly and in a way they can understand and predict (if they join early they can expect better results than if they joined late due to limited inventory), it rewards your longer-standing customers, it is more fair. The examiner's proposed rejection seems to follow the real-world example of seating at a concert/event. In essence, Carruthers et al lets people into the venue first-come first served until the venue inventory/seating is at capacity. What Carruthers et al does not explicitly say is to also at least partly rely on time of arrival (or time of ticket purchase) as a factor in determining how good of a seat you get, however given the preferential treatment at the door – would have been obvious to one of ordinary skill at the time of the invention to

have also provided this preferential treatment as at least a partial basis for seat selection.

Applicant has addressed the problems with the prior methods of "most-behind-first" approach and applicant argues that Carruthers et al's ad selections are based on this problematic approach (upon calculated goals of each campaign and impressions to date). Examiner notes that the instant invention is also based in part upon such goals and impressions to date (as in claims 4, 5) and therefore also suffers it's inherent problems. Open-ended claim 1 does not exclude the possibility of most-behind-first approach and cannot be fairly argued to eliminate the problems stated with it. Applicant's noted disadvantage regarding an inflated number of required ads is fact not eliminated at all. First, ad selection is *in part* based upon time of delivery obligation – yet does not prevent an over-inflating advertiser from overwhelming the system and causing the problem sought to be avoided. Claims 4 and 5 actually require the presence of the adversely described most-behind-first approach. Lastly, the noted problems are not solved entirely as there is nothing to prevent an over inflator still steals ad opportunities from everyone behind the ad inflator. This is also true with the proposal made in the art rejection by the examiner.

Applicant argues that it is possible in Carruthers et al for a 2nd advertiser to receive his desired goal through inflation, while a 1st advertiser may not receive his honestly stated goal. This single example appears to be more narrow than applicant's claims which only require a sequence based *in part* on when contracts were agreed

upon. Applicant's claims and arguments do not require that sequence of ads be entirely determined by the contract dates.

Applicant argues that it would destroy the purpose or teach away from Carruthers et al to use a first-come-first-served weighting factor in the ad selection process. Examiner disagrees and stresses that the rejection proposes an *additional selection factor* of first-come-first-served in addition to a factor representing the most-behind-first approach. Carruthers et al uses a weighting system to choose the ads and it would have been obvious to one of ordinary skill at the time of the invention to have provided at least these two concepts as weighted selection factors. Clearly applicant recognizes that these two factors can be used together – the instant specification (given no enablement rejections by the way) is evidence that one of ordinary skill could comprehend such a dual-weighted selection process.

Applicant writes:

"According to the approach of the pending claims, if an advertiser contracts for a number of advertisements that makes it unlikely that other advertisers, who subsequently contract with the advertiser deliverer, will have a substantial portion of the advertisements of their campaign delivered, all subsequent advertisers can be made aware of the availability of the advertisement deliverer, thereby allowing them to contract, if they so choose, for an amount of advertisements which the advertisement deliverer can actually deliver."

The same can be said for Carruthers et al.

Applicant continues:

"However, a subsequent advertiser, who contracted with the advertisement deliverer at a later point in time, cannot adversely affect the delivery of advertisements of an earlier advertiser who entered into a contractual obligation with the advertisement delivery at an earlier point in time."

This is not true – as the selection criteria is based only "in part" on the timing of the contract. An advertiser with a sufficiently unrealistic ad quantity request could influence anyone, given the open-ended claim and possibility for other selection criteria.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

Jeffrey D. Carlson

Conferees:

Vincent Millin

Eric Stamber